

**Dinsmore & Shohl** LLP  
ATTORNEYS

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August 9, 2006

**via Hand Delivery**  
Ms. Beth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40601

RECEIVED

AUG 09 2006

PUBLIC SERVICE  
COMMISSION

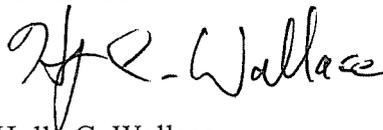
**Re: *Ballard Rural Telephone v. Jackson Purchase Rural Electric Cooperative Corporation, Case No. 2004-00036***

Dear Ms. O'Donnell:

Enclosed for filing with the Public Service Commission of the Commonwealth of Kentucky (the "Commission") is one original and ten (10) copies of Ballard Rural Telephone Cooperative Corporation Inc.'s Reply to Jackson Purchase's Response to Commission Staff's Post-Hearing Data Requests in the above-styled case.

Very truly yours,

DINSMORE & SHOHL LLP



Holly C. Wallace

HCW/rk  
Enclosure  
cc: John E. Selent, Esq. (w/o enclosure)

112553v1

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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COMMISSION

*In the Matter of:*

BALLARD RURAL TELEPHONE )  
COOPERATIVE CORPORATION, INC. )  
 ) CASE NO. 2004-00036  
v. )  
 )  
JACKSON PURCHASE ENERGY CORPORATION )

**REPLY TO JACKSON PURCHASE'S RESPONSE TO COMMISSION STAFF'S  
POST-HEARING DATA REQUESTS**

Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural"), by counsel, hereby replies to Jackson Purchase Energy Corporation's response to the post-hearing data requests from staff of the Public Service Commission of the Commonwealth of Kentucky (the "Commission").

As Jackson Purchase Energy Corporation ("Jackson Purchase") states in its response to the post-hearing data requests, the Commission asked Jackson Purchase to: 1) provide the weighted average cost of Jackson Purchase poles; and 2) identify the avoided cost for Jackson Purchase in attaching to a pole owned by Ballard Rural.<sup>1</sup> Jackson Purchase's response does not provide the information requested by the Commission.

Rather than calculate the "weighted average cost" of its poles as that phrase is used in Administrative Case No. 251, Jackson Purchase developed its own unique methodology to calculate what it calls the "weighted cost of joint user portion." This is not what the Commission requested. Jackson Purchase's calculation is wholly inconsistent with the uniform methodology established in Administrative Case No. 251. The Commission's methodology as set forth in Administration Case

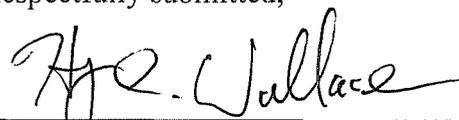
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<sup>1</sup> This reply does not address Jackson Purchase's response to the Commission's request that Jackson Purchase provide the average length of pole to which Ballard Rural is attached.

No. 251 requires the first 20 feet of pole space up to the lowest attachment, plus the 6 feet of pole that is buried in the ground, and the 3.33 feet of required safety space, to be allocated to the electric utility. This space is not considered usable space when calculating Cable Television Attachment Tariff (“CTAT”) rates. Rather than comply with this uniform methodology, however, Jackson Purchase allocates fifty percent (50%) of the first 25 feet of the pole to the joint user, for a total of 12.5 feet. In addition, in the second calculation in Exhibit 2 to Jackson Purchase’s response to the post-hearing data requests, Jackson Purchase adds an additional 5 feet of “safety space” to the 12.5 feet of joint user space for a total of 17.5 feet of joint user space, and a weighted cost of joint user space of \$145.54.

Jackson Purchase’s calculations understate the pole space that is avoided, and the costs savings that occur, from attaching to Ballard Rural’s poles, and inflate Jackson Purchase’s pole attachment rates. If the Commission were to use Jackson Purchase’s purported \$145.54 average weighted cost of joint user space as the basis for calculating Jackson Purchase’s pole attachment rate, Jackson Purchase’s pole attachment rate would be a remarkable \$19.17. In contrast, in Case No. 2004-00319, the Commission established Jackson Purchase’s CTAT rates as \$4.84 for a two-party pole, and \$4.09 for a three-party pole. Thus, Jackson Purchase’s calculations are inconsistent with the uniform methodology established in Administrative Case No. 251.

Respectfully submitted,



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**COUNSEL TO BALLARD  
RURAL TELEPHONE COOPERATIVE  
CORPORATION, INC.**

**CERTIFICATE OF SERVICE**

It is hereby certified that a true and accurate copy of the foregoing was served, via United States mail, first class, postage pre-paid, this 9<sup>th</sup> day of August, 2006 on the following:

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TELEPHONE COOPERATIVE  
CORPORATION, INC.**